

## Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 NEA-10 ISO-00 SSO-00 CIAE-00 INR-07

NSAE-00 INRE-00 /037 W

----- 045297

O R 091630Z SEP 76

FM AMEMBASSY ABU DHABI

TO SECSTATE WASHDC 4894 IMMEDIATE

USDOC WASHDC IMMEDIATE

INFO AMEMBASSY ATHENS

UNCLAS ABU DHABI 2432

ATHENS FOR RTDO

E.O. 11652: N/A

TAGS: BDIS, TC

SUBJECT: SERIOUS POTENTIAL TRADE DISPUTE IN ABU DHABI

REFS: A) ABU DHABI 2080, B), STATE 195879, C) STATE 200251,  
D) ABU DHABI 1841, E) ABU DHABI 1860, F) ABU DHABI 1884,  
G) ABU DHABI 1910

1. EMB HAS BEEN REQUESTED BY ABU DHABI DEPT OF PUBLIC WORKS TO CONFIRM OR DENY RUMOR THAT CALEDONIA CONSTRUCTION CO. INC. (OPERATING LOCALLY UNDER NAME OF PEAVY AND TOWNSON FILLDIRT INC.) WHICH HAS 14 MILLION DOLLAR CONTRACT TO HARDSURFACE PART OF AL-AIN TO DUBAI ROAD HAS ABANDONED PROJECT.

2. LOCAL MANAGER OF CALEDONIA CONSTRUCTION, GERROLD EDWARD CALHOUN, WHO IS UNDER INDICTMENT FOR INCOME TAX EVASION IN U.S. DEPARTED ABU DHABI FOR U.S. IN EARLY AUGUST AND INFORMED CONSUL AT THAT TIME THAT HE WOULD RETURN TO ABU DHABI IF PERMITTED TO DO SO BY ATTORNEY GENERAL, BUT THAT HE ALSO HAD MADE ARRANGEMENTS FOR PROJECT TO BE COMPLETED IN EVENT HE COULD NOT RETURN. HE DID NOT, HOWEVER, GO INTO DETAIL AS TO WHAT THOSE ARRANGEMENTS WERE. WE SMELL MESSY TRADE DISPUTE BREWING WHICH COULD TARNISH IMAGE OF U.S. CONTRACTING INDUSTRY IN UAE, BUT IF RUMORS ARE NOT TRUE WE WANT TO  
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HEAD THEM OFF NOW.

3. BACKGROUND: WE BELIEVE MAIN SOURCE OF RUMORS IS LEGAL ACTION BEING TAKEN BY WIFE OF AMCIT EMPLOYEE OF CALHOUN'S WHO WAS RECENTLY KILLED IN AUTO ACCIDENT (REFS D,E,F,G). CALHOUN'S FIRM HAS REFUSED TO PAY HER COMPENSATION TO WHICH SHE FEELS SHE IS ENTITLED. SHE IS NOW IN ABU DHABI INSTITUTING LEGAL ACTION AGAINST THE COMPANY AND LOCAL PEAVY AND TOWNSON OFFICE HAS BEEN SIEZED BY GOVERNMENT AS RESULT. ALL THREE OF PEAVY AND TOWNSON MANAGEMENT OFFICIALS ARE OUT OF COUNTRY WHICH HAS FURTHER FUELED RUMORS.

4. ACTION REQUESTED: PLS CONTACT CALHOUN AND ASCERTAIN HIS INTENTIONS, AND IF HE WILL NOT BE RETURNING, EXACTLY WHAT ARRANGEMENTS HE HAS MADE, IF G NY, TO PROVIDE FOR COMPLETION OF AL-AI  
N  
TO DUBAI ROAD.

CALHOUN'S ADDRESS: GERROLD EDWARD CALHOUN  
BOX 988  
LEESBURG, FLORIDA  
TEL: 305-787-8068 RPT 305-787-8068

CALHOUN'S LAW FIRM: HELLIWELL, MELROSE AND DEWOLF  
1475 HARTFORD BLDG.  
200 E. ROBINSON ST  
ORLANDO, FLORIDA 32801  
TEL: 305-841-7000 RPT 305-841-7000

5. PLS MARK RESPONSE "IMMEDIATE".  
PEALE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 SEP 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
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**Secure:** OPEN  
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**TAGS:** BDIS, TC  
**To:** STATE  
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